

FREDERICKSBURG  
**ECONOMIC  
DEVELOPMENT  
AUTHORITY**

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**ECONOMIC DEVELOPMENT AUTHORITY MINUTES (EDA)**

**August 13, 2012**

**City Hall, The Suite (Second Floor)  
715 Princess Anne Street  
Fredericksburg, VA**

The Economic Development Authority of the City of Fredericksburg, Virginia met in regular session on Monday, August 13, 2012, beginning at 8:30 a.m. in the Suite at City Hall.

**EDA MEMBERS PRESENT.** Chris Hornung, Chairman, presiding. Joe Wilson, Amy LaMarca, Bob Carter, Michael Colangelo and Steve D'Lugos.

**ABSENT.** Tom Crimmins.

**ALSO PRESENT.** **Free Lance-Star:** Bill Freehling; **Silver Commercial Brokerage:** Rachel Lowman; **Union First Market Bank:** Sue Bridi; **Thalhimer Cushman Wakefield:** Wilson Greenlaw; **Raven Hi-Fi:** Dave Minckler; **EDA Counsel:** Blanton Massey; **Department of Economic Development and Tourism:** Karen Hedelt, Director; Richard Tremblay, Assistant Director for Economic Development; Amy Peregoy, Marketing and Information Specialist.

**DETERMINATION OF QUORUM.** Amy LaMarca determined that a quorum was present.

**AGENDA.** The agenda was approved as presented.

**PUBLIC COMMENTS.** None.

**APPROVAL OF MINUTES.**

Upon a motion by Bob Carter, seconded by Amy LaMarca, the July 9, 2012 Regular Meeting minutes were approved: Ayes (6); Nays (0).

**TREASURER'S REPORT.**

Mr. Carter presented the budget update and July financial statement. There were no action items. The financial statement and budget were approved as presented.

**CHAIRMAN'S REPORT.** None.

**COMMITTEE REPORTS.**

- a. **Grants Committee – Bob Carter** – Mr. Carter presented the Grants Committee recommendations for the July 2, 2012 grant cycle to the board. Three grants totaling \$11,500 were approved by the board:

- Hope House – Trees of Hope event - \$500
- Fredericksburg Area Museum and Cultural Center – “A Woven Community” exhibition - \$1,000
- Fork & Pint Company – rooftop dining deck at 314 William Street - \$10,000

Upon a motion by Bob Carter, seconded by Joe Wilson, the three grants in the amount of \$11,500 were approved: Ayes (6); Nays (0).

- b. Downtown Gift Card Program – Michael Colangelo** – Mr. Colangelo notified the board that the original timeframe of announcing the program has been extended and a test period will take place February 2013 due the need of promotion and to educate merchants. Mr. Colangelo will be meeting with the card designer today. There has been good support from the business community.

Chairman Hornung questioned the reimbursement funding of the program to vendors, merchants and customers. Mr. Colangelo stated there would be a separate EDA account setup for the transactions.

### ***PRESENTATION – MAIN STREET UPDATE, WILSON GREENLAW, REAL FREDERICKSBURG BOARD OF DIRECTORS***

Wilson Greenlaw gave a brief presentation to the board; he named the Board of Directors for Real Fredericksburg; Scarlett Pons, Dave Minckler, Andi Gabler, Megan Mason, Paul Cymrot, Sue Bride and himself. The board has been preparing By-laws which have been forwarded to the Virginia Main Street Program for review before adoption by the board. A Memorandum of Understanding is also being drafted by the board. A meeting was held with Karen Hedelt and Richard Tremblay to review the document before it is presented to the City of Fredericksburg. The funding for the program is being discussed and will be outlined in the Memorandum of Understanding. The application process to become a member of the Virginia Main Street Program will be submitted February-March 2013; if approved the designation will be awarded in June 2013. Ashland, Virginia is the only other applicant at this time. After a brief discussion Chairman Hornung thanked the Real Fredericksburg founding board for their time and effort with this program.

### ***COMMITTEE REPORTS – CONTINUED***

- c. Tourism Zone Advisory Committee – Richard Tremblay** – Mr. Tremblay gave a brief overview of the meeting attendance for the last two meetings. Mr. Tremblay reviewed the committee’s recommendations. The program would become an administration program with EDA and City Council’s review of larger projects. After a brief discussion the EDA would like to review the package again before it goes before City Council.

### ***STAFF REPORT.***

Karen Hedelt announced the September 25<sup>th</sup> HUBZone Boot Camp and the October 16<sup>th</sup> of How to do Business with Mary Washington Healthcare and University of Mary Washington.

**OLD BUSINESS.** None

### ***NEW BUSINESS.***

- a. Window Wonderland Contest 2012 – Karen Hedelt** - Ms. Hedelt gave an overview of last year’s contest. After a brief discussion the board approved \$4,000 for contest prizes.

Upon a motion by Amy LaMarca, seconded by Michael Colangelo, the EDA approved \$4,000 for contest prizes for 2012: Ayes (6); Nays (0).

- b. ILM Corporation, Performance Agreement Amendment – Richard Tremblay** – Mr. Tremblay reviewed a technical error within the original agreement’s tax category. An adjustment was made from \$9,000 to \$5,600 in annual business license tax revenues to qualify for incentives.

Upon a motion by Bob Carter, seconded by Steve D'Lugos, the EDA approved the resolution to amend the ILM Corporation Performance Agreement: Ayes (6); Nays (0).

***WORK SESSION – PREPARATION FOR EDA-CITY COUNCIL WORK SESSION ON ECONOMIC DEVELOPMENT AND TOURISM DEVELOPMENT.***

The EDA discussed preparations for an upcoming work session with City Council on the city's economic development and tourism program.

Mr. Carter felt the EDA should complement EDT's efforts.

Mr. Wilson emphasized the need for the EDA and Council to be on the same page.

Ms. Hedelt listed her top four priorities for additional funding to lift the department's tourism development efforts:

1. A new position dedicated to social media and public relations
2. An opportunity fund for meetings and conventions
3. Tourism advertising
4. Cooperative marketing with Main Street

Mr. D'Lugos asked to see a strategic plan with cost estimates from EDT. He also asked to see the last five year's revenues from meals, lodging and sales taxes.

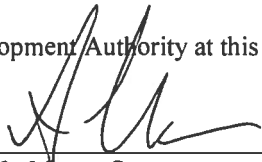
Chairman Hornung listed six potential economic development initiatives he wanted to further explore:

1. Downtown property utilization analysis of vacant or underutilized building space
2. Potential for office development in the Battlefield Industrial Park
3. Increased staffing for social media marketing
4. Fixed outdoor stage for entertainment
5. Packaged tours/trips for visitors
6. Additional music venues

***BOARD MEMBERS COMMENTS.*** None.

***ADJOURNMENT.***

There being no further business to come before the Economic Development Authority at this time, Chairman Hornung declared the meeting officially adjourned at 11:05 a.m.

  
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Amy LaMarca, Secretary

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**MOTION: CARTER**

**August 13, 2012  
Regular Meeting  
Resolution No. 12-19**

**SECOND: D'LUGOS**

**RE: AUTHORIZING THE CHAIRMAN TO EXECUTE A PERFORMANCE  
AGREEMENT AMENDMENT WITH ILM CORPORATION AND THE  
CITY OF FREDERICKSBURG**

**WHEREAS**, City Council adopted Resolution 11-95 on November 8, 2011, approving a Performance Agreement with ILM Corporation and the Fredericksburg Economic Development Authority (EDA) for Technology Zone economic incentives associated with the company's new office at 600 Lafayette Boulevard;

**WHEREAS**, the EDA approved the Agreement at its meeting of November 14, 2011;

**WHEREAS**, the Performance Agreement, entered into on November 18, 2011, requires the business to generate annual business license taxes of at least \$9,000 in order to be eligible for the Economic Incentives;

**WHEREAS**, based on the company's business license tax classification as business services and the application's scoring, the correct annual tax threshold figure is \$5,600, not \$9,000;

**WHEREAS**, City Council adopted Resolution 12-58 on July 24, 2012 approving the Amendment to the Performance Agreement to adjust the annual business license tax revenue criteria to \$5,600;

**WHEREAS**, the EDA wishes to approve the Amendment.

**NOW, THEREFORE, BE IT RESOLVED** that the Fredericksburg Economic Development Authority authorizes the Chairman to execute, deliver and carry out the terms of the Amendment to the November 18, 2011 Performance Agreement with ILM Corporation, to modify the annual tax revenue criteria in Section 2.4 of the agreement to \$5,600 on behalf of the EDA, in substantially the form submitted for approval.

**Votes:**

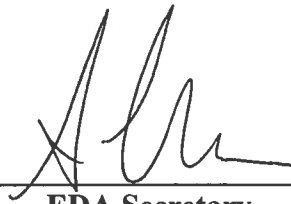
**Ayes: 6**

**Nays: 0**

**Absent from Vote: 1**

**Absent from Meeting: 1**

**CERTIFIED COPY:** \_\_\_\_\_

  
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**EDA Secretary**